

28 August 1952

MEMORANDUM FOR: Deputy Director (Administration)

SUBJECT: Proposed Legislation

1. There is transmitted herewith a draft of proposed CIA legislation in form for introduction into the Congress, together with explanatory comments paralleling each section. This draft includes the proposed salary increase for the Director and the establishment of statutory salaries for the Deputy Directors.

2. Discussions during the past year regarding proposed CIA legislation contemplated a full revision of Section 3 (Procurement Authorities) and amendments to Section 5 (Travel, Allowances and Related Expenses) of the CIA Act of 1949, in accordance with conversations held by Messrs. Houston, Saunders and Pforzheimer with the Bureau of the Budget and the General Accounting Office. However, after due consideration, this office feels that such revisions might be so controversial as to needlessly delay, and perhaps jeopardize, the passage of the remaining legislation presently desired. Accordingly, there is included in the attached draft only such proposed legislation, in addition to that pertaining to the Director and Deputy Directors, as is believed to have a reasonable chance of being enacted without serious opposition.

3. Bureau of the Budget directives normally require submission of all legislation (together with a draft of the proposed letters of transmission to the Vice President and Speaker of the House) to the Bureau for coordination and approval prior to its submission to the Congress; however, in view of the fact that you have indicated that the Director is handling the matter personally, this office will hold any such drafts in abeyance until the receipt of further instructions from you as to the action desired.

WALTER L. PFORZHEIMER
Legislative Counsel

AN ACT

To increase the rate of compensation of the Director of Central Intelligence and for other purposes.

BE IT ENACTED BY THE SENATE AND HOUSE OF REPRESENTATIVES IN CONGRESS ASSEMBLED,

Sec. 1. 50 U.S.C. 403(a) is hereby amended by deleting the figure "\$16,000" and substituting in lieu thereof the figure "\$20,000."

Sec. 2. 50 U.S.C. 403(b)(2) is amended by deleting the second sentence thereof and substituting the following:

This does not provide for paying diff between Military pay + allowances + \$20,000!

"Any such commissioned officer, while serving in the office of Director, shall receive the pay and allowances authorized by law for the grade of General or equivalent grade. Any such commissioned officer, after having served four years as Director, shall be entitled at his own request and if otherwise qualified, to retirement with the retired pay and allowances authorized by law for the grade of General or equivalent grade."

Sec. 3. 50 U.S.C. 403j(1) is amended by deleting the words "payment of claims pursuant to Title 28;" and substituting the following: "payment of claims pursuant to Chapter 171 of Title 28;"

Sec. 4. 50 U.S.C. 403i is hereby repealed.

Sec. 5. The Central Intelligence Agency is hereby exempted from the provisions of the "Performance Rating Act of 1950," (64 Stat. 1098).

Sec. 6. 50 U.S.C. 403e(3)(A) is amended to read as follows:

"Grant leave of absence to such officers and employees without regard to any other leave provided by law, for use in the United States, its territories or possessions, at a rate equivalent to one week for each four months' of service outside the several States and the District of Columbia. Such leave may be accumulated for future use without regard to Sec. 203(c) of the 'Annual and Sick Leave Act of 1951' (65 Stat. 680) but no such leave which is not used shall be made the basis for any terminal leave or lump sum payment: PROVIDED, That Sec. 203(d) of the 'Annual and Sick Leave Act of 1951' (65 Stat. 680) shall not apply to such officers and employees assigned to permanent-duty stations outside the several States and District of Columbia."

Sec. 7. 50 U.S.C. 403 is further amended by the addition of a new subparagraph to read as follows:

"(g) Deputy Directors; appointment and compensation

"(1) There shall be a Deputy Director of Central Intelligence who shall be appointed by the President by and with the advice and consent of the Senate and who shall receive compensation at the rate of \$17,500 a year. The Deputy Director of Central Intelligence shall perform such duties and exercise such powers as shall be prescribed by the Director of Central Intelligence or by law and shall act for, and exercise the powers of, the Director during his absence or disability.

"(2) In addition to the Deputy Director of Central Intelligence, the Director of Central Intelligence is authorized to appoint

three Deputy Directors, each of whom shall receive compensation at the rate of \$16,000 a year and who shall perform such duties as the Director may prescribe."

Sec. 8. Any commissioned officer of the Armed Forces on active duty who is appointed, ordered or detailed to serve with the Central Intelligence Agency shall be excluded from the numbers of Department of Defense military and naval personnel otherwise authorized and appropriated for.

Sec. 9. All laws or part of laws inconsistent with this Act are hereby repealed to the extent of such inconsistency.

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DECLASSIFIED